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From the desk of Carrie Broachis ↗ ↘

Friday, November 02, 2001

Karen Getman, Chairman
Fair Political Practices Commission
428 "J" Street, Suite 620
Sacramento, CA 95814

**RE: CONFLICT OF INTEREST REGULATIONS
SECTION 18707.4**

Dear Chairman Getman:

I am writing to voice my support of L.A. Care Health Plan's proposed changes to Section 18707.4 of the conflict of interest regulations, to be discussed November 5th. I am a member of L.A. Care's Board of Governors, nominated by L.A. Care Members.

As a member of L.A. Care's Board of Governors, I typically do not have a conflict of interest which prohibits me from discussing or voting on issues before the Board. However, as a result of the way the conflict-of-interest laws must be applied to our Board, some of L.A. Care's most important policy decisions are often made without the benefit of some of my fellow members' expertise.

I believe that this compromises my ability to fully and effectively serve the 700,000 L.A. Care members whose interests I represent. I also believe that the Legislature's intent when L.A. Care was statutorily created was not to limit the representation of our stakeholder board.

Most of the decisions our Board makes involve contract terms that set and revise policies governing the health care providers who serve L.A. Care members. Because of the way our authorizing statute is written, our contracts contain substantially the same terms and conditions for all providers of the same type. Our decisions cannot affect those providers who do not participate in L.A. Care's programs.

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Amendments to Section 18707.4, the public generally provision will permit boards like L.A. Care to vote on those broadly applied policies that affect classes of providers in the same way. Yet, it will not affect current conflict-of-interest limitations in cases involving an issue pertaining to a specific provider.

Some examples of situations in which a large number of Board members were unable to discuss or vote on a general policy issue include the following:

- ♦ The Annual Strategic Plan. The Plan, which outlines L.A. Care's goals and objectives, included one of L.A. Care's most important strategic initiatives -- enhancing the financial stability of traditional and safety net providers who serve L.A. County's medically indigent.
- ♦ The Community Health Investment Fund (CHIF) Program. This L.A. Care program was designed to help maintain access to safety net providers who serve L.A. County. Board members were prohibited from even voting on the allocation of funds for the program.
- ♦ Annual Quality Management/Improvement Program. The goal of the QMIP is to establish programs to promote and improve quality medical care. Many Board members with clinical expertise were unable to discuss or vote on this program, which is critical to increasing the quality of medical care for our consumers.

Board members were prohibited from participating in these decisions although these general policies were applied in the same way to other providers who the Board member was appointed to represent.

Again, I strongly encourage you to consider amendments to Section 18707.4, the public generally provision. Thereby, permitting boards like L.A. Care to function appropriately and permit the needed discussion and participation by stakeholder board members when matters affecting the constituency generally come before the Board. The changes L.A. Care has proposed would allow me to receive the full input of all of my colleagues on the Board and make better informed decisions.

Thank you for your consideration of this issue if you have any questions please feel free to call me at (323) 293-7208.

Regards,



Carrie Broadus

L.A. Care Consumer Advocate

cc: The Honorable Members, Fair Political Practices Commission
John Wallace, Fair Political Practices Commission
Augustavia Haydel, General Counsel, L.A. Care Health Plan